GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:2570
ANSWERED ON:05.12.2001
TRADE TIES
RAMCHANDRA VEERAPPA

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether representatives of Russia and America have expressed their displeasure over the quantum of trade with India during their recent visits to India; and

(b) if so, the steps proposed to be taken to boost trade with them?

Answer

THE MINISTER OF EXTERNAL AFFAIRS(SHRI JASWANT SINGH)

(a) Prime Minister Shri Atal Bihari Vajpayee paid a State visit to the Russian Federation from 4-7 November, 2001. Mr. Ilya Klebanov, Deputy Prime Minister of the Russian Federation and Chairman of the Indo-Russian Inter-Governmental Commission for Trade, Economic, Scientific, Technological and Cultural cooperation (IRIGC) from the Russian side, paid an official visit to India from October 14-16, 2001. At the meetings held during these visits, both India and the Russian Federation felt that the volume of trade turnover between the two countries does not correspond to the true potential. A comprehensive review of the trade and economic relations between the two countries was undertaken during both these visits. Both sides reaffirmed their determination to make efforts for the diversification of trade and economic cooperation. It was noted that the decisions taken during the Seventh session of the Indo-Russian Inter-Governmental Commission for Trade, Economic, Scientific, Technological and Cultural Cooperation (IRIGC) helped in the promotion of cooperation in important areas such as civil aviation, energy and information technology.

In all their relevant bilateral interaction, India and the United States have reiterated their desire to increase mutually beneficial economic and trade relations.

(b) During the visit of Prime Minister to the Russian Federation, the Confederation of Indian Industry (CII) signed an agreement with the Russian Union of Industrialists and Entrepreneurs on setting up of representative offices in Moscow and New Delhi respectivelyEXIM Bank of India signed an agreement to extend a credit line of US $ 10 million with the Vnesheconombank of the Russian Federation. The State Bank of India and the Canara Bank also reached agreement with the Central Bank of Russia for setting up a branch in Moscow. These steps are expected to further boost bilateral trade relations between the two countries. Both sides have agreed to encourage further cooperation in the area of Information Technology and Computerisation.

During their meeting in Washington on 9 November, 2001, Prime Minister Shri Atal Bihari Vajpayee and President Bush agreed to resume and expand the bilateral economic dialogue. They expressed confidence that the recent lifting of US sanctions against India will contribute to strengthening economic relations. They also agreed to discuss ways to stimulate bilateral high-technology commerce.